



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
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Home Federal Bank, Nampa, Idaho, Assumes All of the Deposits of LibertyBank, Eugene, Oregon

LibertyBank, Eugene, Oregon, was closed today by the Oregon Division of Finance and Corporate Securities, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Home Federal Bank, Nampa, Idaho, to assume all of the deposits of LibertyBank.

The 15 branches of LibertyBank will reopen on Monday as branches of Home Federal Bank. Depositors of LibertyBank will automatically become depositors of Home Federal Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage. Customers of LibertyBank should continue to use their existing branch until they receive notice from Home Federal Bank that it has completed systems changes to allow other Home Federal Bank branches to process their accounts as well.

This evening and over the weekend, depositors of LibertyBank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of March 31, 2010, LibertyBank had approximately \$768.2 million in total assets and \$718.5 million in total deposits. Home Federal Bank paid the FDIC a premium of 1.0 percent for the deposits of LibertyBank. In addition to assuming all of the deposits of the failed bank, Home Federal Bank agreed to purchase approximately \$419.7 million of the failed bank's assets.

The FDIC and Home Federal Bank entered into a loss-share transaction on \$300.0 million of LibertyBank's assets. Home Federal Bank will share in the losses on the asset



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-176-2010

pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please

visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-523-8159. The phone number will be operational this evening until 9:00 p.m., Pacific Daylight Time (PDT); on Saturday from 9:00 a.m. to 6:00 p.m., PDT; on Sunday from noon to 6:00 p.m., PDT; and thereafter from 8:00 a.m. to 8:00 p.m., PDT.

Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/libertyor.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$115.3 million. Compared to other alternatives, Home Federal Bank's acquisition was the least costly resolution for the FDIC's DIF. LibertyBank is the 108th FDIC-insured institution to fail in the nation this year, and the third in Oregon. The last FDIC-insured institution closed in the state was Home Valley Bank, Cave Junction, on July 23, 2010.
